

1-1 By: Paxton S.B. No. 1221
1-2 (In the Senate - Filed March 6, 2013; March 13, 2013, read
1-3 first time and referred to Committee on State Affairs;
1-4 April 16, 2013, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 7, Nays 0; April 16, 2013,
1-6 sent to printer.)

1-7 COMMITTEE VOTE

1-8		Yea	Nay	Absent	PNV
1-9	Duncan	X			
1-10	Deuell	X			
1-11	Ellis	X			
1-12	Fraser			X	
1-13	Huffman	X			
1-14	Lucio	X			
1-15	Nichols	X			
1-16	Van de Putte			X	
1-17	Williams	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1221 By: Huffman

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to use of a Medicaid-based fee schedule for reimbursement
1-22 of services under a contract between a health care provider and
1-23 certain health benefit plans.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Chapter 1451, Insurance Code, is amended by
1-26 adding Subchapter J to read as follows:

1-27 SUBCHAPTER J. REIMBURSEMENT OF HEALTH CARE PROVIDERS

1-28 Sec. 1451.451. REIMBURSEMENT UNDER MEDICAID-BASED FEE
1-29 SCHEDULE. (a) An insurance company, health maintenance
1-30 organization, or preferred provider organization that contracts
1-31 with a health care provider to provide services in connection with
1-32 Chapter 533, Government Code, or Chapter 62, Health and Safety
1-33 Code, may not require the health care provider to provide access to
1-34 or transfer the provider's name and contracted discounted fee for
1-35 use with health benefit plans issued to individuals and groups
1-36 under Chapter 1271 or 1301.

1-37 (b) An insurance company, health maintenance organization,
1-38 or preferred provider organization may provide access to or
1-39 transfer a provider's name and discounted fee described by
1-40 Subsection (a) only if:

1-41 (1) the insurance company, health maintenance
1-42 organization, or preferred provider organization provides written
1-43 notice to the provider that is printed in conspicuous boldface type
1-44 near a separate signature line and includes a statement
1-45 substantially similar to the following: "By signing on this line,
1-46 you may be agreeing to apply this company's Medicaid or CHIP fee
1-47 schedule to services you provide to commercial insurance or HMO
1-48 enrollees."; and

1-49 (2) the provider authorizes the access or transfer and
1-50 agrees to accept the contracted discounted fee by signing the
1-51 notice described in Subdivision (1).

1-52 SECTION 2. The change in law made by this Act applies only
1-53 to a contract entered into or renewed on or after the effective date
1-54 of this Act. A contract entered into or renewed before the
1-55 effective date of this Act is governed by the law in effect at the
1-56 time the contract is entered into or renewed, and that law is
1-57 continued in effect for that purpose.

1-58 SECTION 3. This Act takes effect immediately if it receives
1-59 a vote of two-thirds of all the members elected to each house, as
1-60 provided by Section 39, Article III, Texas Constitution. If this

2-1 Act does not receive the vote necessary for immediate effect, this
2-2 Act takes effect September 1, 2013.

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